IN THE CLAIMS:

Please amend the claims as follows:

1. (original) Apparatus for cutting pipes underwater comprising: a jacket;

means for jetting the jacket down over the pipe;

means for blowing mud out from between the pipe and the jacket so the annulus between the pipe and the jacket can be substantially filled with water and/or air, wherein the jacket includes jet tubes running from the external supply ring through the wall of the tool and turn down on the inside of the tool.

(original) Apparatus for cutting pipes underwater comprising:
a jacket;

means for jetting the jacket down over the pipe;

means for blowing mud out from between the pipe and the jacket so the annulus between the pipe and the jacket can be substantially filled with water and/or air, wherein the jacket includes jet pipes and a supply ring outfitted with air supply connections that allow for injecting air through the jet pipes to create a vacuum to pull the oxygen through the cut and up the annulus.

- 3. (original) A method of cutting pipes underwater comprising jetting a jacket of any prior claim down over the pipe, blowing mud out from between the pipe and the jacket so the annulus between the pipe and the jacket is substantially filled with water and/or air, and performing the cutting operation from within the pipe.
 - 4. (cancelled)